

Combined Utility System Fund
For the period ending December 31, 2011
(amounts expressed in thousands)

	FY2011 Actual	FY2012				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 459,261	\$ 451,022	\$ 451,022	\$ 269,185	\$ 469,922	\$ 469,922
Sewer Sales	410,941	412,465	412,465	223,461	419,465	419,465
Penalties	9,871	8,000	8,000	5,543	8,000	8,000
Other	3,949	3,830	3,830	2,122	3,830	3,830
Total Operating Revenues	<u>884,022</u>	<u>875,317</u>	<u>875,317</u>	<u>500,311</u>	<u>901,217</u>	<u>901,217</u>
Operating Expenses						
Personnel	141,322	152,873	152,873	74,214	149,573	149,573
Supplies	39,905	50,837	50,837	21,500	50,928	50,928
Electricity and Gas	58,391	60,521	60,521	31,935	62,585	62,585
Contracts & Other Payments	96,805	133,178	133,178	55,415	142,436	142,436
Non-Capital Equipment	1,627	3,389	3,389	946	3,439	3,439
Total Operating Expenses	<u>338,050</u>	<u>400,798</u>	<u>400,798</u>	<u>184,010</u>	<u>408,961</u>	<u>408,961</u>
Operating Income (Loss)	<u>545,972</u>	<u>474,519</u>	<u>474,519</u>	<u>316,301</u>	<u>492,256</u>	<u>492,256</u>
Non-Operating Revenues (Expenses)						
Interest Income	10,175	11,600	11,600	4,528	10,328	10,328
Sale of Property, Mains and Scrap	850	308	308	139	310	310
Other	15,266	7,920	7,920	4,542	8,267	8,267
Impact Fees	9,248	9,100	9,100	6,655	9,100	9,100
CWA & TRA Contracts (P & I)	(21,285)	(19,131)	(19,131)	(17,096)	(20,414)	(20,414)
Total Non-Operating Rev (Exp)	<u>14,254</u>	<u>9,797</u>	<u>9,797</u>	<u>(1,232)</u>	<u>7,591</u>	<u>7,591</u>
Income (Loss) Before Operating Transfers	<u>560,226</u>	<u>484,316</u>	<u>484,316</u>	<u>315,069</u>	<u>499,847</u>	<u>499,847</u>
Operating Transfers						
Debt Service Transfer	359,115	416,682	416,682	206,017	405,181	405,181
Transfer to PIB - Water & Sewer	21,744	21,163	21,163	2,303	21,163	21,163
Transfer to Capital Project Fund	0	10,000	10,000	0	10,000	10,000
Pension Liability Interest	3,659	3,814	3,814	636	3,814	3,814
Equipment Acquisition	12,273	20,583	20,616	7,056	20,583	20,583
Transfer to Stormwater	54,848	50,116	50,083	21,744	49,758	49,758
Total Operating Transfers	<u>451,639</u>	<u>522,358</u>	<u>522,358</u>	<u>237,756</u>	<u>510,499</u>	<u>510,499</u>
Net Current Activity						
Operating Fund Only	<u>\$ 108,587</u>	<u>\$ (38,042)</u>	<u>\$ (38,042)</u>	<u>\$ 77,313</u>	<u>\$ (10,652)</u>	<u>\$ (10,652)</u>

About the Fund:

The Combined Utility System Fund, which includes Fund 8300, Fund 8301, and Fund 8305, is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receive and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.